



ASX ANNOUNCEMENT

23 August 2023

Exploration update: Padbury Gold Project

HIGHLIGHTS

- Assay results from 10 shallow reverse circulation holes received for maiden drilling on the Padbury Gold Project, located NW of Meekatharra in Western Australia
- Evidence of hydrothermal activity with anomalous gold and multi-elements detected
- BDG assessing next exploration steps for WA projects

Black Dragon Gold Corporation (ASX:BDG; 'Black Dragon' and or the 'Company') has received assay results from its drill samples obtained from its Padbury Gold Project located northwest of Meekatharra in Western Australia.

The maiden drilling programme (refer [ASX announcement 1 June 2023](#)) consisted of 10 reverse circulation (RC) holes for 1038m targeting beneath surface gold anomalies.

Black Dragon CEO and Managing Director Gabriel Chiappini said:

"Our maiden shallow drilling programme at Padbury was designed to test our theory that an intrusion related gold system exists sub-surface, which is the potential source of surface gold occurrences collected over several years by prospectors.

"Whilst the results from the first ever drill program in this area have not yielded a substantive economic discovery, the Company is encouraged by anomalous gold and multi-element encounters, indicative of a hydrothermal mineralising system within the Padbury granitoids.

"The Company continues to assess the opportunity to conduct further exploration programs for Padbury together with its other exploration permits in Western Australia."

Discussion on drill results and further work

Drilling at Padbury targeted various parts of the gold in soil anomalies identified in Ultrafine soil sampling conducted by the Company in late 2022 (refer Figure 1).

Assay results yielded low-level anomalous gold in several parts of the system (refer Appendix 1 for full drill hole details and assay results).

Laboratory XRF analysis indicated the presence of multi-element anomalous silver, copper and sulphur, suggesting the Padbury granitoid has been subjected to mineralising activity.

ABOUT BLACK DRAGON GOLD

Black Dragon Gold is the 100% owner of the 1.5m+ oz high grade Salave Gold Project, situated in the Asturias province in Northern Spain.

BOARD & MANAGEMENT

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Non-Executive Chairman

Alberto Lavandeira
Non-Executive Director

Gabriel Chiappini
Managing Director

Jose Manuel Dominguez
General Manager Spain



The multi-element results include:

- 2m @ 37g/t Ag from 49m in hole PRC004
- 3m @ 379ppm Cu from 7m in hole PRC006
- 2m @ 2049ppm Pb from 3m in hole PRC004
- 3m @ 1.8% S from 5m in hole PRC007

The source of extensive gold nugget occurrences over this district is yet to be explained and the Company is reviewing its exploration plans for its projects in Western Australia.

Forward exploration programme may include expanding soil geochemistry testing and analysis into the 158km² Padbury Extension tenement E51/1969 to the south-east of the primary Padbury tenement and conducting regional mapping and reconnaissance of the Ivan Well Gold Project E69/3818.

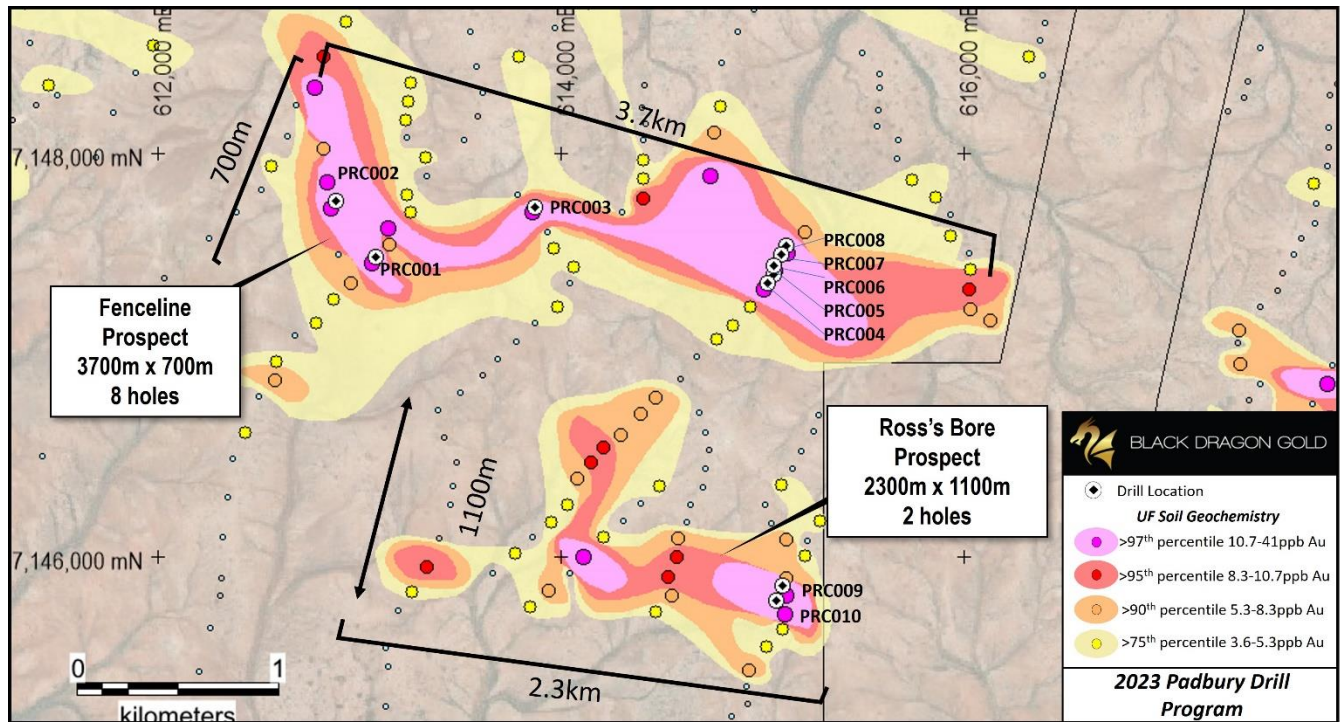


Figure 1: Drill hole locations for Padbury Gold's maiden drilling programme overlaid against the gold anomalism identified in Black Dragon's geo-chemistry exploration in Q4-CY22

-Ends-

Authorised for release by the Black Dragon Gold Board of Directors



FURTHER INFORMATION

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ABOUT BLACK DRAGON GOLD

Black Dragon Gold (ASX: BDG) is an Australian company with a global portfolio of exploration assets. The Company's flagship project is Salave, one of the largest undeveloped gold projects in Europe. Salave is 100 per cent owned by the Company and situated in the North of Spain in the province of Asturias.

In 2022 the Company acquired West Australian mining explorer Marlee Gold Pty Ltd as part of its growth strategy. The deal includes the purchase of three permits with early-exploration discovering near surface gold. For more information visit www.blackdragongold.com.

ABOUT SALAVE PROJECT

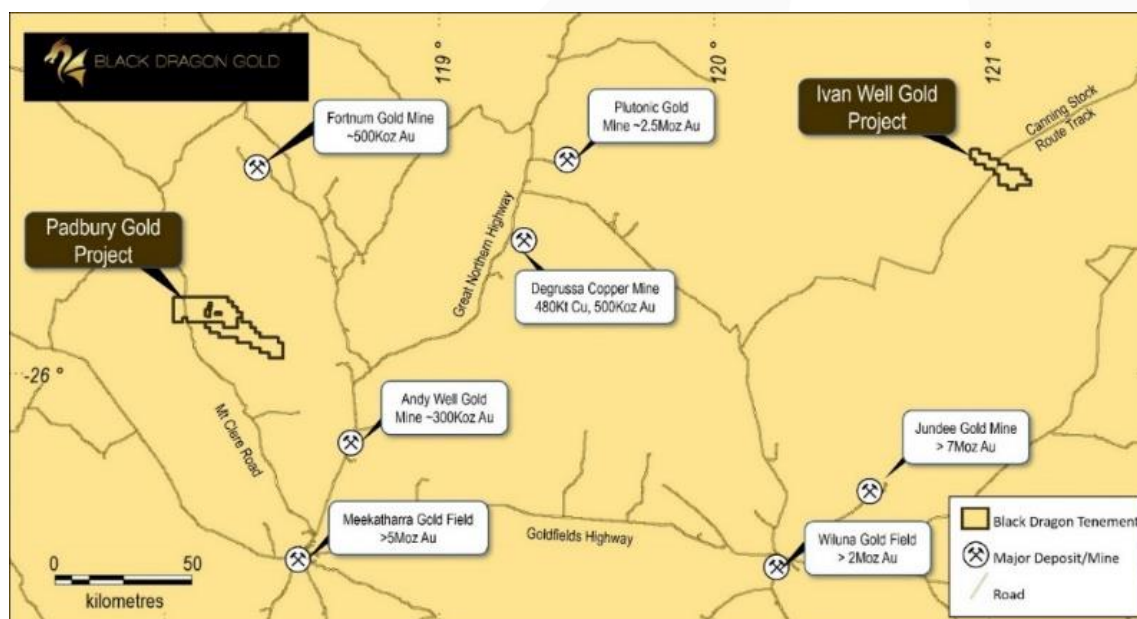
The Salave project located in Spain has a Measured Mineral Resource of 1.03 million tonnes grading 5.59 g/t Au, containing 0.19 million ounces of gold; an Indicated Mineral Resource of 7.18 million tonnes grading 4.43 g/t Au, containing 1.02 million ounces of gold, plus Inferred Resources totalling 3.12 million tonnes grading 3.47 g/t Au, containing 0.35 million ounces of gold.

The information in this announcement that relates to the Mineral Resource estimate for the Salave project was first released by the Company in its news release entitled 'New NI 43-101 Mineral Resource Estimate Increases Resources at Salave' dated 25 October 2018.

Black Dragon confirms that it is not aware of any new information or data that materially affects the information included in the original announcement and that all material assumptions and technical parameters underpinning the estimate in the previous announcement continue to apply and have not materially changed. A full technical report summarising the Mineral Resource estimate completed by CSA Global is available on the Company's web site (www.blackdragongold.com) and posted on SEDAR. In addition to the current Mineral Resource, historical exploration work suggests there is the potential for additional mineralisation within Black Dragon's landholdings.

ABOUT MARLEE GOLD

Marlee Gold Pty Ltd was acquired in July 2022 to diversify the Company's exploration portfolio. Marlee Gold is the holder of three exploration licences in the North Yilgarn Craton of Western Australia, that has been underexplored but has significant regional gold and copper mines. Marlee Gold has two main projects called Padbury Gold and Ivan Well spread out of three exploration licences covering 481km². The main focus for the Marlee Gold prospects is to conduct modern exploration techniques to determine the likelihood of bedrock sourced mineralisation with a focus on gold.





COMPETENT PERSON'S STATEMENT

The information in this report that relates to mineral exploration from the Padbury Gold Project or is otherwise scientific or technical in nature, is based on information compiled and reviewed by Dr Darren Holden who is an advisor to the Company. Dr Holden is a Fellow of the Australasian Institute of Mining and Metallurgy and has sufficient experience that is relevant to the style of mineralisation and type of deposit under consideration, and to the activity being undertaken, to qualify as a Competent Person as defined in the 2012 edition of the 'Australasian Code for Reporting of Exploration Results, Mineral Resources and Ore Reserves' (JORC code) and a qualified person under Canadian National Instrument 43-101. Dr Holden has reviewed the information herein and consents to the inclusion in this report of the matters based on the information in the form and context in which it appears.





APPENDIX 1 - DRILL HOLE DETAILS AND ASSAY RESULTS

Table 1 RC drill hole details for the Padbury Gold Project (MGA94 Zone 50)

Hole ID	Easting	Northing	Elevation	Hole Depth (m)	Azimuth	Dip
PRC001	613079	7147497	489	102	210	-60
PRC002	612883	7147769	486	108	210	-60
PRC003	613870	7147728	490	108	210	-60
PRC004	615027	7147359	483	102	210	-60
PRC005	615049	7147400	482	108	210	-60
PRC006	615061	7147441	483	102	210	-60
PRC007	615090	7147503	481	102	210	-60
PRC008	615121	7147545	481	102	210	-60
PRC009	615085	7145853	494	102	210	-60
PRC010	615071	7145791	492	102	210	-60

Table 2 Gold results > 0.1ppm (100ppb) over at least 2m from Padbury 2023 Drill Campaign

Hole ID	Depth From	Depth To	Au (ppm)	Au (ppb)
PRC004	3	4	0.115	115
PRC004	4	5	0.156	156
PRC004	74	75	0.225	225
PRC004	75	76	0.275	275

Table 3 Gold results >10ppb from Padbury 2023 Drill Campaign

Hole ID	Depth From	Depth To	Au (ppm)	Au (ppb)
PRC001	20	21	0.01	10
PRC002	81	82	0.047	47
PRC002	86	87	0.01	10
PRC002	93	94	0.041	41
PRC002	102	103	0.091	91
PRC003	7	8	0.011	11
PRC003	14	15	0.02	20
PRC003	19	20	0.021	21
PRC003	20	21	0.015	15
PRC003	84	85	0.028	28
PRC004	2	3	0.019	19
PRC004	3	4	0.115	115
PRC004	4	5	0.156	156
PRC004	5	6	0.018	18
PRC004	16	17	0.029	29
PRC004	17	18	0.016	16
PRC004	74	75	0.225	225
PRC004	75	76	0.275	275



Hole ID	Depth From	Depth To	Au (ppm)	Au (ppb)
PRC004	101	102	0.012	12
PRC005	0	1	0.022	22
PRC005	6	7	0.016	16
PRC006	6	7	0.01	10
PRC006	10	11	0.018	18
PRC006	11	12	0.01	10
PRC006	80	81	0.011	11
PRC007	0	1	0.02	20
PRC009	20	21	0.011	11
PRC009	66	67	0.012	12
PRC009	89	90	0.022	22
PRC009	91	92	0.01	10
PRC010	20	21	0.016	16
PRC010	21	22	0.01	10
PRC010	22	23	0.013	13

Table 4 Silver results > 20ppm over at least 2m from Padbury 2023 Drill Campaign

Hole ID	Depth From	Depth To	Ag (ppm)
PRC004	49	50	20
PRC004	50	51	54

Table 5 Copper results > 400ppm over at least 2m from Padbury 2023 Drill Campaign

Hole ID	Depth From	Depth To	Cu (ppm)
PRC006	7	8	439
PRC006	8	9	438
PRC006	9	10	260

Table 6 Sulphur results > 1% (10,000) ppm over at least 2m from Padbury 2023 Drill Campaign

Hole ID	Depth From	Depth To	S (ppm)
PRC007	4	5	20769
PRC007	5	6	11765
PRC007	6	7	21918

Note - for tables 4, 5, 6 above, assays completed using XRF under laboratory conditions by Portable Spectral Services. Single 1m anomalous results, particularly where the XRF error approximates the assay result have not been included as are considered immaterial or inaccurate.



JORC Code, 2012 Edition – Table 1

Section 1 Sampling Techniques and Data

(Criteria in this section apply to all succeeding sections.)

Criteria	JORC Code explanation	Commentary
Sampling techniques	<ul style="list-style-type: none"> <i>Nature and quality of sampling (eg cut channels, random chips, or specific specialised industry standard measurement tools appropriate to the minerals under investigation, such as down hole gamma sondes, or handheld XRF instruments, etc). These examples should not be taken as limiting the broad meaning of sampling.</i> <i>Include reference to measures taken to ensure sample representivity and the appropriate calibration of any measurement tools or systems used.</i> <i>Aspects of the determination of mineralisation that are Material to the Public Report.</i> <i>In cases where 'industry standard' work has been done this would be relatively simple (eg 'reverse circulation drilling was used to obtain 1 m samples from which 3 kg was pulverised to produce a 30 g charge for fire assay'). In other cases more explanation may be required, such as where there is coarse gold that has inherent sampling problems. Unusual commodities or mineralisation types (eg submarine nodules) may warrant disclosure of detailed information.</i> 	<ul style="list-style-type: none"> Reverse circulation drilling undertaken. Drill samples collected every metre in duplicate, with the 'A' sample for assay and the remaining 'B' sample retained for future reference. Samples are approximately 3kg.
Drilling techniques	<ul style="list-style-type: none"> <i>Drill type (eg core, reverse circulation, open-hole hammer, rotary air blast, auger, Bangka, sonic, etc) and details (eg core diameter, triple or standard tube, depth of diamond tails, face-sampling bit or other type, whether core is oriented and if so, by what method, etc).</i> 	<ul style="list-style-type: none"> Reverse circulation drilling with splitter to collect samples
Drill sample recovery	<ul style="list-style-type: none"> <i>Method of recording and assessing core and chip sample recoveries and results assessed.</i> <i>Measures taken to maximise sample recovery and ensure representative nature of the samples.</i> <i>Whether a relationship exists between sample recovery and</i> 	<ul style="list-style-type: none"> Drill sample recovery has not been reported.



Criteria	JORC Code explanation	Commentary
	<i>grade and whether sample bias may have occurred due to preferential loss/gain of fine/coarse material.</i>	
Logging	<ul style="list-style-type: none"> • <i>Whether core and chip samples have been geologically and geotechnically logged to a level of detail to support appropriate Mineral Resource estimation, mining studies and metallurgical studies.</i> • <i>Whether logging is qualitative or quantitative in nature. Core (or costean, channel, etc) photography.</i> • <i>The total length and percentage of the relevant intersections logged.</i> 	<ul style="list-style-type: none"> • Chip samples have been logged for rock-type, alteration type, veins, and sulphide minerals.
Sub-sampling techniques and sample preparation	<ul style="list-style-type: none"> • <i>If core, whether cut or sawn and whether quarter, half or all core taken.</i> • <i>If non-core, whether riffled, tube sampled, rotary split, etc and whether sampled wet or dry.</i> • <i>For all sample types, the nature, quality and appropriateness of the sample preparation technique.</i> • <i>Quality control procedures adopted for all sub-sampling stages to maximise representivity of samples.</i> • <i>Measures taken to ensure that the sampling is representative of the in situ material collected, including for instance results for field duplicate/second-half sampling.</i> • <i>Whether sample sizes are appropriate to the grain size of the material being sampled.</i> 	<ul style="list-style-type: none"> • Two samples collected from a splitter from each metre of drilling.
Quality of assay data and laboratory tests	<ul style="list-style-type: none"> • <i>The nature, quality and appropriateness of the assaying and laboratory procedures used and whether the technique is considered partial or total.</i> • <i>For geophysical tools, spectrometers, handheld XRF instruments, etc, the parameters used in determining the analysis including instrument make and model, reading times, calibrations factors applied and their derivation, etc.</i> • <i>Nature of quality control procedures adopted (eg standards, blanks, duplicates, external laboratory checks) and whether acceptable levels of accuracy (ie lack of bias) and precision have been established.</i> 	<ul style="list-style-type: none"> • Gold assay results are analysed and reported by ALS Geochemistry in Perth. • Gold assaying completed using AU-ICP21 – a low-level detection (1ppb) gold fire-assay technique • Multi-element analysis conducted by Portable Spectral Services Ltd of Perth, using XRF analysis on “Oxide3phase” master pulps on 60s detection following gold analysis preparation. XRF analysis includes reporting of XRF accuracy as 3 standard deviations from the mean. Material multi-element results reported are within acceptable accuracy. • Both field and laboratory (both AuICP21 and ME XRF) duplicates and certified reference material



Criteria	JORC Code explanation	Commentary
		<p>inserted into the sample stream.</p> <ul style="list-style-type: none"> • Certified reference material inserted at 1:50 • Duplicates assayed at 1:50 • No substantive variation noted.
Verification of sampling and assaying	<ul style="list-style-type: none"> • <i>The verification of significant intersections by either independent or alternative company personnel.</i> • <i>The use of twinned holes.</i> • <i>Documentation of primary data, data entry procedures, data verification, data storage (physical and electronic) protocols.</i> • <i>Discuss any adjustment to assay data.</i> 	<ul style="list-style-type: none"> • As duplicates noted above.
Location of data points	<ul style="list-style-type: none"> • <i>Accuracy and quality of surveys used to locate drill holes (collar and down-hole surveys), trenches, mine workings and other locations used in Mineral Resource estimation.</i> • <i>Specification of the grid system used.</i> • <i>Quality and adequacy of topographic control.</i> 	<ul style="list-style-type: none"> • Collar locations collected with hand-held GPS to accuracy of +- 5m. • Grid System MGA94 Z50 • No topographic control, as all samples at natural land surface.
Data spacing and distribution	<ul style="list-style-type: none"> • <i>Data spacing for reporting of Exploration Results.</i> • <i>Whether the data spacing and distribution is sufficient to establish the degree of geological and grade continuity appropriate for the Mineral Resource and Ore Reserve estimation procedure(s) and classifications applied.</i> • <i>Whether sample compositing has been applied.</i> 	<ul style="list-style-type: none"> • Collar locations as noted in Table 1 and on the map in the body of this release.
Orientation of data in relation to geological structure	<ul style="list-style-type: none"> • <i>Whether the orientation of sampling achieves unbiased sampling of possible structures and the extent to which this is known, considering the deposit type.</i> • <i>If the relationship between the drilling orientation and the orientation of key mineralised structures is considered to have introduced a sampling bias, this should be assessed and reported if material.</i> 	<ul style="list-style-type: none"> • Drill holes drilled at 210 deg Azimuth and -60 dip to optimise intersection of both WNW-ESE and N-S structures at appropriate angle.
Sample security	<ul style="list-style-type: none"> • <i>The measures taken to ensure sample security.</i> 	<ul style="list-style-type: none"> • Samples were bagged and sealed on site and sent for staging at Omni Geox's storage facility before transferral to the laboratory.
Audits or reviews	<ul style="list-style-type: none"> • <i>The results of any audits or reviews of sampling techniques and data.</i> 	<ul style="list-style-type: none"> • No audits undertaken.



Section 2 Reporting of Exploration Results

(Criteria listed in the preceding section also apply to this section.)

Criteria	JORC Code explanation	Commentary
Mineral tenement and land tenure status	<ul style="list-style-type: none"> Type, reference name/number, location and ownership including agreements or material issues with third parties such as joint ventures, partnerships, overriding royalties, native title interests, historical sites, wilderness or national park and environmental settings. The security of the tenure held at the time of reporting along with any known impediments to obtaining a licence to operate in the area. 	<ul style="list-style-type: none"> E51/1942 is 100% held by a wholly owned subsidiary of Black Dragon Gold Corp. P51/3158 is owned by a private individual with an option to purchase (100%) held by a wholly owned subsidiary of Black Dragon. Marlee Minerals and associates retains a 1.5% NSR Royalty on the project.
Exploration done by other parties	<ul style="list-style-type: none"> Acknowledgment and appraisal of exploration by other parties. 	<ul style="list-style-type: none"> The Company purchased the project from Marlee Minerals PL via the acquisition of subsidiary Marlee Gold PL. Exploration professionals at Marlee Gold had compiled regional exploration data from historic WAMEX archives, and compiled a series of gold occurrences from prospectors identified gold flakes and nuggets (refer company announcement 6 July 2022).
Geology	<ul style="list-style-type: none"> Deposit type, geological setting and style of mineralisation. 	<ul style="list-style-type: none"> The Padbury Gold Project is hosted in granitoids on the northern Yilgarn Margin. Mineralisation targets are currently inferred to related to WNW-ESE to NW-SE to N-S structures
Drill hole Information	<ul style="list-style-type: none"> A summary of all information material to the understanding of the exploration results including a tabulation of the following information for all Material drill holes: <ul style="list-style-type: none"> easting and northing of the drill hole collar elevation or RL (Reduced Level – elevation above sea level in metres) of the drill hole collar dip and azimuth of the hole down hole length and interception depth hole length. If the exclusion of this information is justified on the basis that the information is not Material and this exclusion does not detract from the understanding of the report, the Competent Person should clearly explain why this is the case. 	<ul style="list-style-type: none"> Collar and survey at collar are reported in this release. Downhole survey was completed at the end of hole, with no significant deviation of drilling recorded. Drill collars surveyed with hand-held GPS with +- 5m accuracy.
Data aggregation methods	<ul style="list-style-type: none"> In reporting Exploration Results, weighting averaging techniques, 	<ul style="list-style-type: none"> This release includes arithmetic mean of 2 and 3m zones of



Criteria	JORC Code explanation	Commentary
	<p><i>maximum and/or minimum grade truncations (eg cutting of high grades) and cut-off grades are usually Material and should be stated.</i></p> <ul style="list-style-type: none"> Where aggregate intercepts incorporate short lengths of high grade results and longer lengths of low grade results, the procedure used for such aggregation should be stated and some typical examples of such aggregations should be shown in detail. The assumptions used for any reporting of metal equivalent values should be clearly stated. 	<p>mineralisation. No weighting or bias has been introduced in these calculations.</p>
Relationship between mineralisation widths and intercept lengths	<ul style="list-style-type: none"> These relationships are particularly important in the reporting of Exploration Results. If the geometry of the mineralisation with respect to the drill hole angle is known, its nature should be reported. If it is not known and only the down hole lengths are reported, there should be a clear statement to this effect (eg 'down hole length, true width not known'). 	<ul style="list-style-type: none"> The relationship between mineralisation and intercept lengths cannot be established from RC (chips) drilling.
Diagrams	<ul style="list-style-type: none"> Appropriate maps and sections (with scales) and tabulations of intercepts should be included for any significant discovery being reported. These should include, but not be limited to a plan view of drill hole collar locations and appropriate sectional views. 	<ul style="list-style-type: none"> A map of drill collars included in this release
Balanced reporting	<ul style="list-style-type: none"> Where comprehensive reporting of all Exploration Results is not practicable, representative reporting of both low and high grades and/or widths should be practiced to avoid misleading reporting of Exploration Results. 	<ul style="list-style-type: none"> Results >10ppb gold, and other relevant multi-element assay results reported.
Other substantive exploration data	<ul style="list-style-type: none"> Other exploration data, if meaningful and material, should be reported including (but not limited to): geological observations; geophysical survey results; geochemical survey results; bulk samples – size and method of treatment; metallurgical test results; bulk density, groundwater, geotechnical and rock characteristics; potential deleterious or contaminating substances. 	<ul style="list-style-type: none"> Reference, in the body of the release, to previous results released by the Company. Refer releases dated 28 November 2022 (geochemistry soil results); 6 July 2022 (acquisition of project and background information)
Further work	<ul style="list-style-type: none"> The nature and scale of planned further work (eg tests for lateral 	<ul style="list-style-type: none"> Further working is dependent on on ongoing analysis of results, but



Criteria	JORC Code explanation	Commentary
	<p><i>extensions or depth extensions or large-scale step-out drilling).</i></p> <ul style="list-style-type: none">• <i>Diagrams clearly highlighting the areas of possible extensions, including the main geological interpretations and future drilling areas, provided this information is not commercially sensitive.</i>	<p>may include extended geochemistry work, airborne geophysics and further drilling.</p>

